

## **Exhibit F**

**In The Matter Of:**

*IN RE MERCK & CO., INC., SECURITIES, et al.*

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*PAUL A. GOMPERS, PH.D. - Vol. 1*  
*September 11, 2012*

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***CONFIDENTIAL***

**MERRILL CORPORATION**

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PAUL A. GOMPERS, PH.D. - 9/11/2012

1	CONFIDENTIAL UNITED STATES DISTRICT COURT DISTRICT OF NEW JERSEY ***** IN RE MERCK & CO., INC., SECURITIES, DERIVATIVE & "ERISA" LITIGATION MDL No. 1658 (SRC) ***** THIS DOCUMENT RELATES TO THE CONSOLIDATED SECURITIES ACTION  Case No. 3:05-CV-01151-SRC-MF Case No. 3:05-CV-02367-SRC-MF *****  DEPOSITION OF PAUL A. GOMPERS, Ph.D. Tuesday, September 11, 2012 9:05 a.m. CHOATE, HALL & STEWART Two International Place Boston, Massachusetts * * * Judith McGovern Williams, Court Reporter	3
2	CONFIDENTIAL APPEARANCES: BERNSTEIN, LITOWITZ, BERGER & GROSSMANN LLP Salvatore J. Graziano, Esquire Adam H. Wierzbowski, Esquire 1285 Avenue of the Americas New York, New York 10019 212-554-1400 sgraziano@blbglaw.com adam@blbglaw.com On behalf of Plaintiffs  CRAVATH, SWAINE & MOORE LLP Christopher D. Belelieu, Esquire Matthew J. Boggess, Esquire Worldwide Plaza 825 Eighth Avenue New York, New York 10019-7475 212-474-1513 cbelelieu@cravath.com mboggess@cravath.com On behalf of all Defendants excluding Dr. Edward Scolnick	4
1	CONFIDENTIAL APPEARANCES (continued): SCHULTE, ROTH & ZABEL LLP William H. Gussman, Jr., Esquire 919 Third Avenue New York, New York 10022 212-756-2044 bill.gussman@srz.com  Also present: David Tabak, NERA Gayle Ashton, Videographer	1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25
1	CONFIDENTIAL I N D E X WITNESS PAGE PAUL A. GOMPERS, Ph.D. By Mr. Graziano 8  E X H I B I T S EXHIBIT DESCRIPTION PAGE Exhibit 1 Multipage Expert Report of Paul A. Gompers, Ph.D., dated August 13, 2012 8 Exhibit 2 Multipage Expert Report of Paul A. Gompers, Ph.D., In Re: Securities Litigation, dated February 8, 2008 75 Exhibit 3 Multipage article entitled The Behavior of Stock-Market Prices, Bates stamped GOMPERS 000133 through GOMPERS 000211 96 Exhibit 4 Multipage article entitled Efficient Capital Markets: A Review of Theory and Empirical Work, Bates stamped GOMPERS 000212 through GOMPERS 000247 109 Exhibit 5 Multipage abstract entitled 115	1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25

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<p style="text-align: right;">9</p> <p style="text-align: center;">1                   <b>CONFIDENTIAL</b></p> <p>09:07:54   2           <b>Q. Do you recognize Gompers number 1 as an</b></p> <p>09:07:59   3           <b>expert report that you filed in this case?</b></p> <p>09:08:00   4                   <b>(Handing Exhibit 1 to the witness.)</b></p> <p>09:08:01   5                   <b>(Pause.)</b></p> <p>09:08:02   6                   <b>(The witness viewing Exhibit 1.)</b></p> <p>09:08:02   7           A. Yes.</p> <p>09:08:06   8           <b>Q. So if you look, for example, at page 40 of</b></p> <p>09:08:09   9           <b>the document, the last page before the exhibits,</b></p> <p>09:08:13   10          <b>you recognize that to be your signature at the end</b></p> <p>09:08:15   11          <b>of the report?</b></p> <p>09:08:16   12          A. Yes.</p> <p>09:08:20   13          <b>Q. Today is approximately a month after this</b></p> <p>09:08:25   14          <b>report was completed? Correct?</b></p> <p>09:08:26   15          A. Yes.</p> <p>09:08:27   16          <b>Q. Are you aware of any errors or changes you</b></p> <p>09:08:31   17          <b>wish to make to the report at this time?</b></p> <p>09:08:33   18          A. No.</p> <p>09:08:34   19          <b>Q. And at this time do you have any</b></p> <p>09:08:38   20          <b>additional opinions that you did not put in writing</b></p> <p>09:08:40   21          <b>in the report?</b></p> <p>09:08:41   22          A. No.</p> <p>09:08:46   23          <b>Q. If you would look at paragraph 5 of this</b></p> <p>09:08:48   24          <b>document.</b></p> <p>09:08:49   25                   <b>(Witness complying.)</b></p>	<p style="text-align: right;">11</p> <p style="text-align: center;">1                   <b>CONFIDENTIAL</b></p> <p>09:10:12   2           A. I have.</p> <p>09:10:13   3           <b>Q. And the two individuals that you mentioned</b></p> <p>09:10:17   4           <b>who work at Cornerstone, have you worked with those</b></p> <p>09:10:19   5           <b>two individuals before?</b></p> <p>09:10:20   6           A. I have.</p> <p>09:10:21   7           <b>Q. If you could just give me the names again?</b></p> <p>09:10:23   8           <b>I didn't get them.</b></p> <p>09:10:23   9           A. It is Iris Jiang, J-i-a-n-g, and Mehul,</p> <p>09:10:32   10          M-e-h-u-l, Kamdar, K-a-m-d-a-r.</p> <p>09:10:43   11          <b>Q. Were those two people the only individuals</b></p> <p>09:10:45   12          <b>at Cornerstone who assisted you in preparing your</b></p> <p>09:10:49   13          <b>report?</b></p> <p>09:10:49   14          A. There were two or three analysts and</p> <p>09:10:53   15          associates on the case. I don't recall their</p> <p>09:10:56   16          names. But Iris is I think -- I don't know if Iris</p> <p>09:11:00   17          is a vice president or senior principal, and Mehul</p> <p>09:11:05   18          would be just sort of the next level down under</p> <p>09:11:07   19          Iris. So they are sort of the senior people who I</p> <p>09:11:10   20          interacted most directly with.</p> <p>09:11:12   21          <b>Q. So with regard to those two senior people</b></p> <p>09:11:15   22          <b>at Cornerstone, perhaps with additional support at</b></p> <p>09:11:19   23          <b>Cornerstone, what did they do to provide you with</b></p> <p>09:11:21   24          <b>assistance in this project?</b></p> <p>09:11:27   25          A. So under my direction, they performed a</p>
<p style="text-align: right;">10</p> <p style="text-align: center;">1                   <b>CONFIDENTIAL</b></p> <p>09:08:53   2           <b>Q. The last sentence says that: "I reserve</b></p> <p>09:08:57   3           <b>the right to amend my opinions if and when new</b></p> <p>09:09:01   4           <b>information comes to light."</b></p> <p>09:09:03   5                   <b>Do you see that?</b></p> <p>09:09:04   6           A. Yes.</p> <p>09:09:05   7           <b>Q. And I just want to confirm that at this</b></p> <p>09:09:09   8           <b>point in time, September 11th, 2012, you don't see</b></p> <p>09:09:13   9           <b>any need to amend any of your opinions in the</b></p> <p>09:09:15   10          <b>report based on new information that has come to</b></p> <p>09:09:18   11          <b>light?</b></p> <p>09:09:18   12          A. That is correct.</p> <p>09:09:19   13          <b>Q. Who wrote this report, Gompers 1?</b></p> <p>09:09:25   14          A. I did.</p> <p>09:09:27   15          <b>Q. Did anyone assist you in preparing it?</b></p> <p>09:09:30   16          A. Yes.</p> <p>09:09:30   17          <b>Q. And who is that?</b></p> <p>09:09:31   18          A. Cornerstone Research. Specifically, Iris</p> <p>09:09:38   19          Jiang and Mehul Kamdar.</p> <p>09:09:42   20          <b>Q. And what is Cornerstone?</b></p> <p>09:09:51   21          A. Cornerstone is an economic consulting firm</p> <p>09:09:55   22          that does a variety of consulting -- economic</p> <p>09:10:00   23          consulting projects, including supporting experts</p> <p>09:10:04   24          in expert research and reports and testimony.</p> <p>09:10:10   25          <b>Q. Have you worked with them before?</b></p>	<p style="text-align: right;">12</p> <p style="text-align: center;">1                   <b>CONFIDENTIAL</b></p> <p>09:11:30   2           variety of tasks, pulling research articles when I</p> <p>09:11:36   3           wanted research articles pulled -- pulled; they</p> <p>09:11:40   4           went through Dr. Tabak's production, Dr. Tabak's</p> <p>09:11:47   5           programs; the analysis you see done in the</p> <p>09:11:51   6           exhibits, the intraday analysis at the end; the</p> <p>09:11:55   7           tabulation of the subperiods from the analysis that</p> <p>09:12:02   8           Dr. Tabak did. Under my direction, they performed</p> <p>09:12:06   9           the variety of analyses that were sort of done in</p> <p>09:12:09   10          the report as well as collecting materials that I</p> <p>09:12:15   11          reviewed.</p> <p>09:12:19   12          <b>Q. And to some extent, do you have to rely on</b></p> <p>09:12:23   13          <b>the accuracy and -- well, let me start again.</b></p> <p>09:12:28   14                   <b>To some extent, do you have to rely on</b></p> <p>09:12:32   15          <b>the accuracy of their analysis and collection as</b></p> <p>09:12:35   16          <b>far as the work you did in this case?</b></p> <p>09:12:36   17          A. Much as I rely on my research staff when I</p> <p>09:12:39   18          am doing academic research, I certainly rely on</p> <p>09:12:42   19          them to, you know, run the SAS programs, collect</p> <p>09:12:47   20          the data and the like. But it is the exact same</p> <p>09:12:50   21          process I go through if I am writing a</p> <p>09:12:53   22          peer-reviewed academic article. So certainly.</p> <p>09:12:58   23          <b>Q. And did any of the people you mentioned or</b></p> <p>09:13:00   24          <b>identified at Cornerstone in connection with this</b></p> <p>09:13:03   25          <b>report do any of the drafting of Gompers 1?</b></p>

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<p style="text-align: right;">13</p> <p style="text-align: center;">1                    <b>CONFIDENTIAL</b></p> <p>09:13:07      2            A.    So I drafted the report. They -- they</p> <p>09:13:12      3            provided comments along the way, some of which were</p> <p>09:13:17      4            consistent with my opinion, and so included in some</p> <p>09:13:22      5            form; some of which I didn't -- didn't sort of</p> <p>09:13:27      6            take. So at the end of the day, I drafted the</p> <p>09:13:30      7            report but received comments along the way from</p> <p>09:13:32      8            both Mehul and Iris.</p> <p>09:13:37      9            <b>Q.    And how long have you personally worked</b></p> <p>09:13:39      10          <b>with Cornerstone?</b></p> <p>09:13:44      11          A.    Approximately 10 years.</p> <p>09:13:47      12          <b>Q.    Is there any other organization that</b></p> <p>09:13:50      13          <b>support -- that has supported your work in</b></p> <p>09:13:54      14          <b>litigation as an expert other than Cornerstone?</b></p> <p>09:13:56      15          A.    No.</p> <p>09:13:57      16          <b>Q.    If you look at paragraph 4 of your report,</b></p> <p>09:14:03      17          <b>Gompers 1.</b></p> <p>09:14:04      18                    (Witness complying.)</p> <p>09:14:09      19          <b>Q.    In the first sentence, you state that:</b></p> <p>09:14:14      20                    "I am being compensated for my time</p> <p>09:14:16      21          <b>and services at my regular hourly rate of \$850."</b></p> <p>09:14:21      22                    Do you see that?</p> <p>09:14:21      23          A.    Yes.</p> <p>09:14:21      24          <b>Q.    What makes \$850 your regular hourly rate?</b></p> <p>09:14:27      25                    MR. BELELIEU: Objection.</p>	<p style="text-align: right;">15</p> <p style="text-align: center;">1                    <b>CONFIDENTIAL</b></p> <p>09:15:44      2            different rate for any matter for which I was</p> <p>09:15:48      3            retained at approximately the same time.</p> <p>09:15:50      4            <b>Q.    As an expert?</b></p> <p>09:15:50      5            A.    As an expert.</p> <p>09:15:54      6            <b>Q.    And is it the case that you work with</b></p> <p>09:15:56      7            <b>Cornerstone each and every time you work as an</b></p> <p>09:15:59      8            <b>expert?</b></p> <p>09:15:59      9            A.    There was one -- excuse me -- one matter</p> <p>09:16:08      10          that I worked on four or five years ago for which</p> <p>09:16:11      11          Cornerstone was conflicted, and I worked with -- I</p> <p>09:16:18      12          was supported by somebody who had previously been</p> <p>09:16:20      13          at Cornerstone but was no longer at Cornerstone.</p> <p>09:16:24      14          So they provided support. But I believe that was</p> <p>09:16:26      15          the only matter in the last 10 years that I have --</p> <p>09:16:31      16          only expert matter that I have worked on that</p> <p>09:16:33      17          wasn't supported by Cornerstone.</p> <p>09:16:35      18          <b>Q.    And in that other matter, did you charge</b></p> <p>09:16:38      19          <b>whatever your standard hourly rate was at the time?</b></p> <p>09:16:41      20          A.    Yes.</p> <p>09:16:41      21          <b>Q.    The next sentence in paragraph 4 refers to</b></p> <p>09:16:56      22          <b>additional periodic compensation. It says:</b></p> <p>09:16:59      23                    "I also receive periodic compensation</p> <p>09:17:01      24          <b>from Cornerstone Research...."</b></p> <p>09:17:04      25                    Do you see that?</p>
<p style="text-align: right;">14</p> <p style="text-align: center;">1                    <b>CONFIDENTIAL</b></p> <p>09:14:30      2            A.    So when I'm retained in a particular</p> <p>09:14:34      3            matter, there is a standard rate at that time which</p> <p>09:14:39      4            I charge. It is -- for many years it didn't go up,</p> <p>09:14:45      5            and then slowly over time it has gone up by maybe</p> <p>09:14:49      6            \$25 an hour over the last couple of years. I think</p> <p>09:14:52      7            last year in 2011 it may have been \$825 an hour.</p> <p>09:14:56      8            But so at the time in which I was retained in this</p> <p>09:14:59      9            matter, that was -- that was the rate that I was --</p> <p>09:15:03      10          was charging.</p> <p>09:15:03      11                    BY MR. GRAZIANO:</p> <p>09:15:03      12          <b>Q.    Is that still the rate today?</b></p> <p>09:15:05      13          A.    It is.</p> <p>09:15:06      14          <b>Q.    And when you say "that was the rate I was</b></p> <p>09:15:09      15          <b>charging," is there any context in which you would</b></p> <p>09:15:15      16          <b>charge a different rate?</b></p> <p>09:15:16      17          A.    No. Not at that -- so if I -- if I was</p> <p>09:15:20      18          working on a matter for which I was retained the</p> <p>09:15:22      19          prior year, I continued to charge the rate that was</p> <p>09:15:26      20          applicable when I was retained in the matter.</p> <p>09:15:28      21                    So if I was retained in a matter in</p> <p>09:15:30      22          early 2011, the rate would be \$825. So if I would</p> <p>09:15:33      23          work on two matters, one I would charge \$825. This</p> <p>09:15:37      24          one, because I was retained earlier in 2012, the</p> <p>09:15:41      25          rate would be \$850. But I wouldn't charge a</p>	<p style="text-align: right;">16</p> <p style="text-align: center;">1                    <b>CONFIDENTIAL</b></p> <p>09:17:04      2            A.    Yes.</p> <p>09:17:05      3            <b>Q.    How often do you receive the additional</b></p> <p>09:17:09      4            <b>periodic compensation you are referring to in</b></p> <p>09:17:11      5            <b>paragraph 4 of Gompers 1?</b></p> <p>09:17:13      6            A.    So for the last four -- four or five years</p> <p>09:17:18      7            it has been an annual check, an annual</p> <p>09:17:21      8            compensation. So once a year.</p> <p>09:17:22      9            <b>Q.    And approximately what is the size of the</b></p> <p>09:17:28      10          <b>annual check?</b></p> <p>09:17:32      11          A.    Somewhere between -- it has been anywhere</p> <p>09:17:35      12          from say 100 to 250 thousand dollars.</p> <p>09:17:42      13          <b>Q.    And if we go back to this matter, how much</b></p> <p>09:17:47      14          <b>of your total billing has been in this matter at</b></p> <p>09:17:50      15          <b>the rate of \$850 an hour?</b></p> <p>09:17:52      16          A.    So it has been a very busy summer. I</p> <p>09:17:57      17          started a new course. I have not yet submitted my</p> <p>09:18:01      18          bills, but I have -- for the report, I spent</p> <p>09:18:05      19          probably about 80 hours, give or take a couple, for</p> <p>09:18:08      20          the report and have probably spent in preparation</p> <p>09:18:11      21          for the deposition 25 hours.</p> <p>09:18:15      22          <b>Q.    So if we say roughly --</b></p> <p>09:18:19      23          A.    100.</p> <p>09:18:20      24          <b>Q.    -- 100 hours just to do the math, at \$850</b></p> <p>09:18:23      25          <b>an hour that would come out to approximately</b></p>